



STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF ACCOUNTING

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M E M O R A N D U M

#06-16

TO: All Department and School Fiscal Officers

FROM: Trisha L. Neely, Director

DATE: March 27, 2006

SUBJECT: VENDOR TABLE CLEAN-UP

The Division of Accounting is performing a data clean-up of the vendor table to remove inaccurate, incomplete or duplicative data. Our short-term goal is to eliminate the production and distribution of inaccurate 1099 records and a long-term goal is to ensure the accuracy of the data that is converted to the new accounting system.

During the 1099 process, we discovered numerous errors in the vendor table. The following are a few examples:

- Vendors recorded as “incorporated” instead of being listed as “sole proprietor”
- Vendors recorded with both a suffix of 01 and AA
- Vendors added multiple times with minor differences (changes) to the name or address
- Inaccurate Taxpayer Identification Number (SSN or EI #)
- Vendors providing medical/legal services not recorded as partnerships. A 1099 must be issued in accordance with IRS regulations
- According to a comparison report from the IRS and our vendor table, we have approximately 6,000 invalid TINs.

We are asking you to support this clean-up effort by ensuring accurate and complete data is recorded in the vendor table. Your data entry process should include the verification of the following information:

- Accuracy of the data recorded/entered in the Suspense Vendor (SVEN) table.

- Validation that the vendor is either incorporated, a sole proprietor or partnership.
- The vendor's information does not already exist in the vendor table in a way that supports your transaction.

Additionally, a W-9 form must be obtained from the vendor by the state organization in order to add a vendor or change a vendor's TIN. The Delaware W-9 Form is currently being revised; however, please use the IRS W-9 Form in its place. The IRS W-9 Form can be found at: <http://www.irs.gov/pub/irs-pdf/fw9.pdf>.

If you have any questions about this memorandum, please contact Linda Murabito at 744-1077 or by e-mail to Linda.Murabito@state.de.us.